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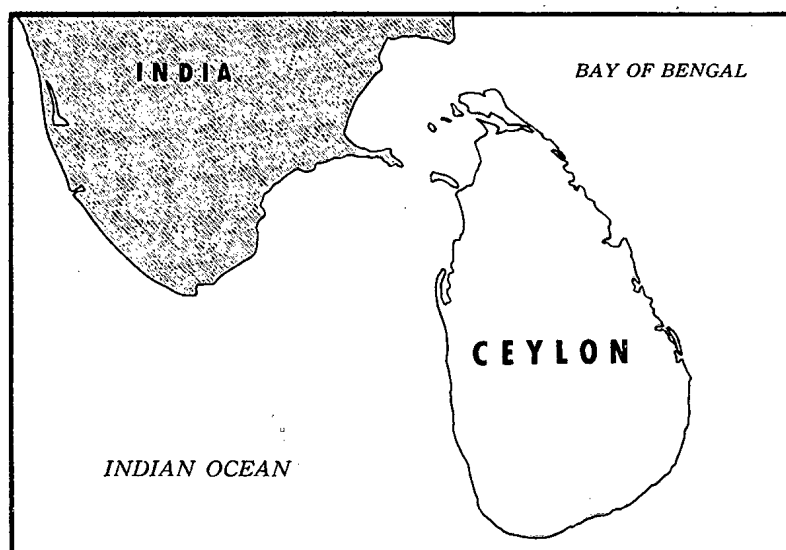
SNIE 54-59 ADVCON

14 July 1959

SPECIAL NATIONAL INTELLIGENCE ESTIMATE

POLITICAL PROSPECTS IN CEYLON

NOTE: This is an advance copy of the conclusions of this estimate as approved by the United States Intelligence Board. The complete text will be circulated within five days of this issuance.



- Present government's prospects.
- Outlook for the major political groups.

Central Intelligence Agency

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Submitted by the

DIRECTOR OF CENTRAL INTELLIGENCE

The following intelligence organizations participated in the preparation of this estimate: The Central Intelligence Agency and the intelligence organizations of the Departments of State, the Army, the Navy, the Air Force, and The Joint Staff.

Concurred in by the

UNITED STATES INTELLIGENCE BOARD

on 14 July 1959. Concurring were The Director of Intelligence and Research, Department of State; the Assistant Chief of Staff for Intelligence, Department of the Army; the Director of Naval Intelligence; the Assistant Chief of Staff, Intelligence, USAF; the Director for Intelligence, The Joint Staff; the Assistant to the Secretary of Defense, Special Operations; and the Director of the National Security Agency. The Atomic Energy Commission Representative to the USIB and the Assistant Director, Federal Bureau of Investigation, abstained, the subject being outside of their jurisdiction.

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CENTRAL INTELLIGENCE AGENCY

14 July 1959

SUBJECT: SNIE 54-59: POLITICAL PROSPECTS IN CEYLON 1/

THE PROBLEM

To estimate political developments in Ceylon during the next two or three years.

CONCLUSIONS

1. We believe that an early change of government in Ceylon is likely, and that the outlook for the next two or three years at least is for continued basic instability. It is probable that this period will be characterized by coalition governments. The trend toward polarization of the political scene to the right and left is likely to continue.

1/ Supersedes relevant political sections of NIE 54-58, "The Outlook for Ceylon," dated 18 March 1958 and NIE 54-2-58, "The Outlook for Political Stability in Ceylon," dated 9 December 1958.

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Important differences will remain among moderates and communists and there will continue to be basic cleavages between the Sinhalese Buddhists and the various minorities. Political instability will continue to impede badly-needed measures to promote economic progress. (Paras. 6-7, 9-12, 14)

2. The relatively conservative UNP appears to have profited more than any other party from Bandaranaike's loss of popularity. While it probably could not win a majority of seats, it might emerge from new elections with sufficient strength to have a strong, if not decisive voice in the formation of a coalition government, possibly through some kind of accommodation with the moderates of Bandaranaike's SLFP. Except in the unlikely event of a communist takeover, we do not believe that Ceylon's generally popular neutralist foreign policy will undergo any major change. However, a UNP-dominated government would probably be more effective and more sympathetic toward the West than the Bandaranaike government has been. (Paras. 11-12)

3. There is a constant possibility of an extra-legal attempt to seize power by one or more of the conservative groups which have been plotting against the Bandaranaike government. Under certain conditions, they could take control of the government. However, it is doubtful that they

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would be able to establish a stable and lasting government unless they were able to secure the cooperation of one of the main political parties or of a popular political leader.

(Para. 17)

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